

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.3523 Health maintenance contract; provisions.

Sec. 3523. (1) A health maintenance contract shall be filed with and approved by the commissioner.

(2) A health maintenance contract shall include any approved riders, amendments, and the enrollment application.

(3) In addition to the provisions of this act that apply to an expense-incurred hospital, medical, or surgical policy or certificate, a health maintenance contract shall include all of the following:

- (a) Name and address of the organization.
- (b) Definitions of terms subject to interpretation.
- (c) The effective date and duration of coverage.
- (d) The conditions of eligibility.
- (e) A statement of responsibility for payments.
- (f) A description of specific benefits and services available under the contract within the service area, with respective copayments, coinsurances, and deductibles.
- (g) A description of emergency and out-of-area services.
- (h) A specific description of any limitation, exclusion, and exception, including any preexisting condition limitation, grouped together with captions in boldfaced type.
- (i) Covenants that address confidentiality, an enrollee's right to choose or change the primary care physician or other providers, availability and accessibility of services, and any rights of the enrollee to inspect and review his or her medical records.
- (j) Covenants of the subscriber shall address all of the following subjects:
 - (i) Timely payment.
 - (ii) Nonassignment of benefits.
 - (iii) Truth in application and statements.
 - (iv) Notification of change in address.
 - (v) Theft of membership identification.
- (k) A statement of responsibilities and rights regarding the grievance procedure.
- (l) A statement regarding subrogation and coordination of benefits provisions, including any responsibility of the enrollee to cooperate.
- (m) A statement regarding conversion rights.
- (n) Provisions for adding new family members or other acquired dependents, including conversion of individual contracts to family contracts and family contracts to individual contracts, and the time constraints imposed.
- (o) Provisions for grace periods for late payment.
- (p) A description of any specific terms under which the health maintenance organization or the subscriber can terminate the contract.
- (q) A statement of the nonassignability of the contract.

History: Add. 2000, Act 252, Imd. Eff. June 29, 2000;—Am. 2002, Act 304, Imd. Eff. May 10, 2002;—Am. 2005, Act 306, Imd. Eff. Dec. 21, 2005.

Popular name: Act 218

Popular name: HMO